



COMMISSION
OF THE EUROPEAN
COMMUNITIES

8 Storey's Gate London SW1P 3AT
Telephone: 01-222 8122
Fax: 01-222 0900

WE/20/89
1 June 1989

THE WEEK IN EUROPE

Regional policy in the 1990s. In a keynote speech given in Madrid this week, Commissioner Bruce Millan, responsible for regional policy, summarised the principal objectives of regional policy in Europe. He opened his address by saying: "The Single Act set us on the road to a Single Internal Market It also contains a parallel commitment to the objective of strengthening Community cohesion. In plain man's terms this means reducing the widening gap between levels of prosperity in the different regions and social groups of this now very large Community." He went on: "The reform of the Structural Funds is off to a good start. Everything is going pretty well to schedule. Virtually all the Objective One plans were received by the target date and we are about to start negotiations on them." He continued: "There are also economic considerations which should make us reflect seriously on any further concentration of resources in the major central conurbations of the Community.

The first is that there are limits to how much more these central regions can take." He cited the problems of pollution, traffic congestion and insufficient and poor housing. "The second reason to avoid further concentration is the vicious circle that will develop in the less-developed and declining industrial regions of the Community if we just let economic expectations in these areas slump into a general process of decline ... The third reason for us to take a more centrifugal view of Europe in the 1990s are the plan facts of new technology and the marketplace." New telecommunications and satellite links would, Millan said, enable much of business to be just as competitive in the so-called peripheral regions as in the centre.

Millan also discussed in his speech the necessity to deal with specific problems either of certain sectors in the economy or in areas not specifically covered by the main structure of the reform. "Existing Community programmes include the telecommunications, energy, steel and shipbuilding sector. Possibilities for the future could include environmental initiatives." Millan also referred to the special problems of inner cities, and said on this subject: "We cannot forget such areas and their problems. Indeed I do intend to make use of certain provisions under the new rules to undertake studies and pilot schemes in London and at least one other major city concerning problems specific to such major conurbations. I am working with Commissioner Vasso Papandreu to ensure close integration between Regional and Social Fund actions and with Commissioner Carlo Ripa di Meana to ensure that environmental aspects are fully taken into account." He ended by saying that in the transport field, the impact of the Channel Tunnel has not yet been properly and comprehensively studied from a Community regional point of view, "though work is now in hand on this."

EuroInfoCentres to be extended. The present Community-wide network of 39 EuroInfoCentres is to be extended by opening a further 148 centres. The rate of installation of EuroInfoCentres will enable the EC territory as a whole to be covered between July 1989 and mid-1990. The UK will have an additional 16 centres.

British challenge on education rejected. The European Court of Justice this week rejected a British challenge to a five year, £26 million youth training scheme, adopted by EEC Ministers, in 1987. The UK, along with France and the FRG, complained to the EC Court in Luxembourg that the scheme to improve job prospects of people aged 14 to 25 should need the approval of all EC countries. In a separate case, the European Court ruled that only majority consent is needed to distribute grants for students to fulfil part of their studies in another Community country, under the Erasmus programme.

Media. On the occasion of the Turin Book Fair, four European newspapers "Le Monde", "Frankfurter Allgemeine Zeitung", "Indice" and the "Times Literary Supplement" announced their intention to publish jointly a European cultural supplement with the title of "Liber."

New rule of origin on Japanese photocopiers. The Commission has won a battle to establish a new rule of origin on photocopiers, which will extend anti-dumping duties to US-assembled copiers exported to the EC by Ricoh of Japan. The Commission is now preparing a fresh inquiry into whether Seiko Epson, another Japanese electronics group, is avoiding duties of 25.7 per cent in its dumped Japanese exports to the EC by channelling sales to the EC via a US assembly plant which is what Ricoh did.

Farm Ministers urged to accept New Zealand plan. Ray MacSharry, the Agricultural Commissioner, urged EC Agriculture Ministers, meeting in Brussels this week, to accept the Commission's original proposals for imports of New Zealand butter and sheepmeat between 1988 and 1992. There is now hope that the package agreed last autumn will get the green light at the next Agricultural Council in Luxembourg on 19 June. MacSharry said that re-negotiation was out of the question because of the April standstill agreement on subsidies reached in Geneva in the context of the General Agreement on Tariffs and Trade.

Forestry Action Programme. EC Agriculture Ministers agreed this week on a First Action Programme, running from 1989 to 1992, aimed at encouraging those who want to grow trees on former agricultural land. The programme is intended to respect and complement distinctively national forestry policies and will involve a budgetary contribution of 70m ecus (£46m) in the first year rising to 200m ecus (£133m) by 1992. The UK stands to gain up to £6m a year under the programme, through contributions towards the cost of the Woodland Grant and Farm Woodland Schemes.

State aids survey. The first survey of state aids in the EC which analyses the level of subsidies given by Member States to manufacturing, agriculture, fish, energy and transport, has just been published as an official document.

Air pollution in Sunderland. The Commission has given a reasoned opinion to the UK over air pollution in Sunderland. Following a complaint, legal proceedings will be launched in two months unless the government can justify its failure to take steps to cut levels of anhydrous sulphide in the atmosphere.

Diary Dates

Transport Council	5-6 June	Brussels
Environment Council	8 June	Brussels
Social Affairs Council	12 June	Brussels
General Affairs Council	12-13 June	Brussels
Internal Market Council	14-15 June	Brussels
European Council Summit	26-27 June	Madrid

Our next briefing will take place on Thursday, 8 June at 11.30 am.